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(LARGEST CIRCULATION IN INDIA.)

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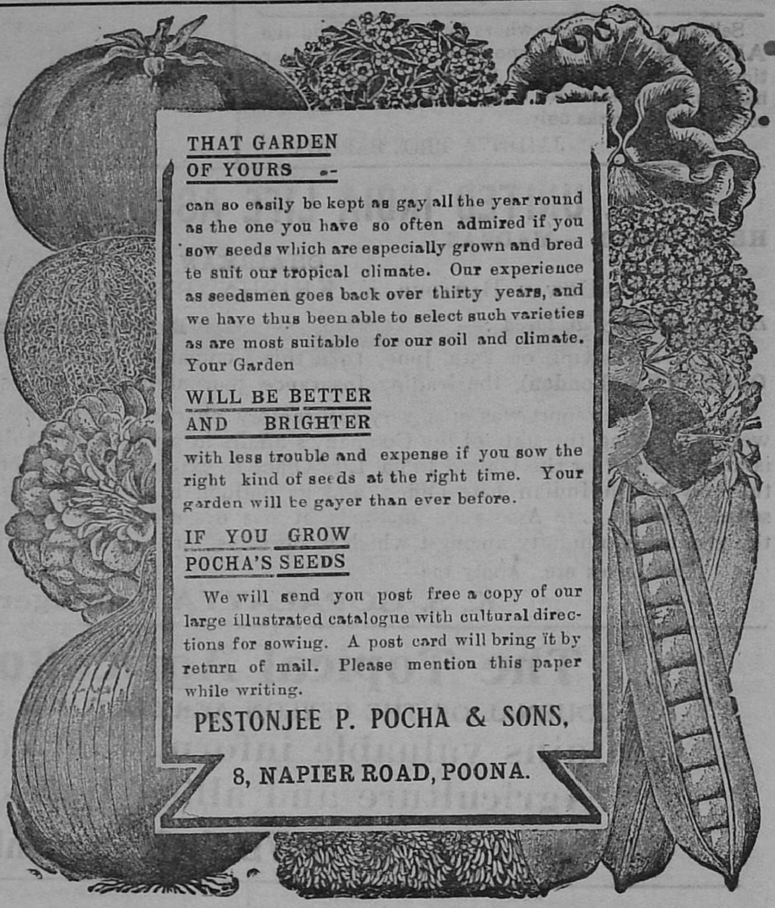

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OUR TEXTILE INDUSTRY.

(MR. S. Y. PONKSHE, M.A., POONA.)

Special for " Commerce and Industries"

India is probably the most ancient cotton growing country, having the most suitable clime for its cultivation. For the past 2500 years she is growing cotton for her domestic purposes and has supplied all her needs in that direction. But up to the beginning of the 17th century very little raw cotton was exported, all the products being applied to hand-loom weaving which is an ancient occupation with Indians. At present too handlooms, though mostly thrown in the background by the machinery and the new inventions in the spinning and weaving sections, support millions of idle farmers in the season when they have no work in the field. But till recently, before the Gandhi movement was launched this cottage industry attracted very little attention of the higher classes and even now it is practically confined to the unsophisticated masses, though Mr. Gandhi aims at introducing a handloom in every house through the length and breadth of India. Whatever be the merits of the movement, it has been realised by the staunch adherents of N. C. O. theory that hand-loom is powerless to compete with machinery and the increasing number ef spinning and weaving mills, fitted with the most up-to-date modern plant, has demonstrated the lack of faith in its ability to compete successfully with foreign cloth Power spinning was started for the first time in India in 1851 and within 25 years as many as 1,000,000 spindles were introduced. Since then the progress of the textile industry has been simply phenomenal, though as compared with that of other countries, one can safely say that it is in its infancy.

Cotton crop requires 6 to 7 months of favourable weather and thrives in warm climate provided it is moist. The average rainfall needed is only 3 to 4 inches a month and that too in the early months of the season, when the crop has not reached maturity. In 1917-18 the acreage of cotton was about 25 millions, but as the price of cotton fell in 1919 the acreage too diminished and came down to 20½|millions in the year 1920.

Among the cotton growing countries of the world United States of America ranks first and produces nearly 3/5 ths of the total production or 15 millions of bales of lb. 500 each. India comes next and supplies 4½ million bales while Fgypt adds only 1,000,000, Thus U.S.A. puoduces 60 % of world's cotton. India 20 %, and Egypt 4% only. But it must be remembered that there is a tragic difference between the qualities of Indian, American and Egyptian cotton. For the latter two are of long staple while Indian is of short, fit for coarse cloth and yarn of smaller counts. Of the American cotton, that of Sea Islands is the best having a length of between 1·8 and 2 inches. The length of Egyptian Cotton varies from 1.5 to 1.2 inches and that of U.S,A. is nearly 1.3 inches. Indian is the poorest of the lot, the staple length being less than an inch. Egpptian and American are grown in Sind with admirable success, and its quality is likely to be better than that of the Punjab where American is making rapid headway. The Indian Cotton Committee of 1917 opined that long staple cotton can be grown in Madras, Sind and Punjab for the benefit of India as well as Lancashire and thus a large dificit can be made up which is the heavy consumption of American cotton by U.S.A. Another noteworthy feature of Indian crop is the poor yield per acre. America grows 400 lbs. an acre on an average, Egypt between 375 and 425 lbs whereas Indian yield is the lowest conceivable, being only 80 lbs an acre. This greatly handicaps the producer and the total out-turn is uot so much encouraging. 50 % of her production is utilised by the local mills and the rest is exported as raw cotton. The Indian cotton bale weighs 400 lbs, American 500 lbs, and the Egyptian 700.

The following table is interesting. The active spindleage of the world in 1900, in 1914 and 1920 is as follows:—

—	1900.	1914.	1920.
U.S. A. ...	4,368,000	12,711,000	35,497,000
United K. ...	45,500,000	56,300,000	50,045,000
Germany ...	8,000,000	11,550,000	5,250,000
France ...	5,500,000	7,410,000	5,658,000
India ...	4,945,000	6,500,000	5,318,000
Japan ...	1,275,000	2,750,000	3,150,000
China ...	550,000	1,000,000	1,280,000
Total (world's).	105,681,000	146,397,000	119,659,589

In 1904 U.S.A. had only 4·36 million active spindles but the number increased in the next 14 years three fold and came to 12·7 millions in 1914. In the next 6 years 23 millions were added or there was an increase of 270% over 1914. Thus U.S.A. availed of the war conditions over Europe to rapidly extend their textile industry and at present is a serious rival to Lancashire inasmuch as she is consuming 60 % of her cotton production. In 1900 she consumed about 36%, in 1914 40%. After the war German Spindleage decreased bv 6.3. millions, that of France by 1.8, and of England 6·3. In the case of India the decrease was 1.2 million, but Japan and China added, 876,000 and 730,000 spindles respectively. In 1920 the world spindleage was 154,000,000, but nearly 35,000,000, were idle.

Now we shall have a brief survey of the progress of mill industry since its inception in India. It is mainly localised in Bombay Presidency. Only a small number of mills are to be found in Bengal, Madras and United Provinces. Bombay is the gateway of India, has direct communication with cotton growing districts and is a financial centre. In Bombay alone there are 82 Mills, in Ahmadabad 64, 27 else where, while the whole of India accounts for 50 mills, the following table speaks for itself:—

Year.	No. of mills.	Authorised Capital (crores·)	Persons (1,000) employed.	Looms (1,000.)	Spindles (1,000.)
1880	58	5·56	48·	13·	1471
1890	126	11	112	24	3197·
1900	197	17	174	41·8	4992·
1910	254	22	231	85	6347·
1917	269	25	284	115	6614·
1918	273	28	294	115	6689·
1919	273	29	282	118	6689·

Thus we can see from the above table that in the last 20 years the authorised capital increased by 11 crores, the number of mills by 75, number of persons by 115,000, looms by 74,000, and in the spindleage there was an increase of 15,00,000. In the same period U.S.A. added 31,000,000. spindles: the difference is very striking. Our industry has made progress, no doubt, but it is so slow, that as compared with that of other countries, it is negligible. If we compare the imports of piece-goods with production it will be clear how dependent we are upon foreigners and what a great scope there lies for the expansion of our industry. In 1914 our total production was 1061·89 million yards and imports were 2419 millon yards; in 1916 the ratio was 1490 : 1891 ; in 1918 the figures were 1529 and 1523 respctively. So in that year we were producing half of the total requirements and the other half was imported. This shows how our production can be easily doubled to satisfy our own needs, even if we do not think of capturing other markets. The following is the comparative table:—

Year.	Production (million yds).	Imports (million yds).	Per cent production to imports.
1914—1915	1061·69	2419	43·8
1915—1916	1355·8	2118	61·4
1916—1917	1490·5	1891·78	78·7
1917—1918	1529·5	1523	100·39
1918—1919	1690	1093	153·7

Thus our production increased from 43·8 to 100 per cent and a little over. These figures vindicate that our industry is capable of vast expansion. The total imports of yarn are only 6 per cent of the production which was in 1918 nearly 660,000,000 lbs., and the exports of yarn in the same year amounted to 130,000,000 lbs.

Having taken the above survey of the Indian Textile industry, we have now a clear idea of the position Indian mills occupy and the importance attached to this trade. In short we can say our industry has risen from infancy to childhood and to compete successfully with Lancashire we must strengthen and stabilise its position. Up till now we have been hampered by the tariff policy of our government, which yielded to the hue and cry of the Lancashire mill owners and the pressure they brought to bear upon the Secretary of State, and which to pacify their agitation imposed an excise duty of 3½ per cent on local goods under pressure from Home. But now we have to hope for better times with the change in the angle of vision of our rulers, and this has been brought home to the anti-Indian agitators in England by the firm and unshrinking attitude of Mr. Montagu. He has laid down a worthy tradition for the guidance of his successors in office who cannot overlook it. The great war came to our help, the imports rapidly diminished giving an opportunity to our mills to throw their products on the market without a rival and to revive the famishing trade. The mills could not satisfy the needs and according to the law of supply and demand the price went beyond expectations, leaving a substantial margin of profits to the producer. The following table shows the annual profits of the Bombay mills since 1905 in crores of rupees:—

1905	1906	1907	1908	1909	1910	1911	1912
3·47	3.14	1·87	1·31	1·21	·6	·52	2·6
1913	1914	1915	1916	1917	1918	1919	1920
1·8	·89	1·86	3·12	6·74	4·9	13·06	16

From 1·86, with a little setback owing to the ercess profits duty, the profits of Bombay mills gradually rose to 13 crores in 1919 but those of this year, 1920, are calculated at 16 crores by the late Mr. Rahimtulla of the Bombay Millowners Association. The mills have built very large reserves and many have extensions in view. The position of the mills has substantially improved as will be seen from the table of share values of various strong mills given below. The following are quotations for scrips for September in different years and for June 1920 :—

Mill. (1)		1915. (2)	1916. (3)	1917. (4)	1918. (5)
		Rs.	Rs.	Rs.	Rs.
Century ...	...	170	365	355	432
Fazulbhoy	...	385	785	867	815
Currimbhoy	...	185	420	370	382
Swadeshi	...	1,392	1,925	1,850	,350
Madhavji	...	1,100	1,650	2,600	2;220
Kohinoor	...	600	785	875	1,400
David ...	...	542	400	530	570
Sholapoor	...	...	6,000	...	8,000

——		1919.	1920.	1921.	Paid up Ordny.
		(6)	(7)	(8)	(9)
		Rs.	Rs.	Rs.	Rs.
Century ...	...	557	1,060	1,200	100
Fazulbhoy	...	992	1,800	1,750	250
Currimbhoy	...	500	1,250	1,580	250
Swadeshi	...	2,760	5,150	4,250	500
Madhavji	...	3,040	4,100	3,050	500
Kohinoor	...	1,850	3,650	3,500	500
David ...	...	685	1,715	1,680	250
Sholapoor	...	11,000	16,000	...	1,000

If again we want to know the particulars of some well known concerns the following table will satisfy our curiosity :—

Mill.		assets per share 1914.	assets per share 19:9.	Dividend 1914–1919.
		(1)	(2)	(3)
		Rs.	Rs.	Rs.
Bom. Dyeing	...	800	1,600	850
Century	...	300	600	300
Central India	...	1,200	2,000	1.660
Currimbhoy	...	300	750	260
Fazulbhoy	...	375	975	580
Kohinoor	...	1,000	1.750	1,120
Madhavji	...	1,050	2,300	1,685
M Petit	...	2,800	5,000	1,025
Sholapoor	...	6,000	14,000	3,850
Swadeshi	...	1,250	2,500	1,500

Mill.		Face value	per cent	Dividend 1920.
		(4)	(5)	(6)
		Rs.	Rs.	Rs.
Bom. Dyeing	...	250	340	204 p. c.
Century	...	100	300	144 p. c.
Central India	...	500	332	...
Currimbhoy	...	250	104	...
Fazulbhoy	...	250	232	168 p. c.
Kohinoor	...	500	224	120 p c.
Madhavaji	...	500	377	...
M. Petit	...	1,000	100·02	65 p. c.
Sholapoor	...	1,000	385	...
Swadeshi	...	500	300	120 p. c.

Of the above 10 mills 6 have paid over 300 per cent dividend, 2 over 200% and 2 over 100%, last year's profits were calculated at 13 crores, but this year's are estimated at 16 and very big dividends have been declared this year as will be seen from the last column. Bombay Dyeing distributed 71·3% of the total profits or equal to 204% of which 100% are given in bonus shares. Century distributed 70% of the profits and paid 144% less income-tax, Fazulbhoy 168% dividend or 81% profits, Kohinoor 120% or 74 of profits, and Swadeshi 120 per cent or 53% net earnings. The Sholapoor is a very sound concern and has been very scrupulous in paying most of the profits being set apart to conserve the resources of the Mills and the extensions proposed. This year's dividend is likely to be very handsome.

Column No. 2 gives the assets per share in 1919 which is an index to the strength of the mill and the funds it has got on hand. Of late years in England and U. S. A. There has been a distinct tendency to capitalise the reserves to bring down the percentage of dividends to an irreducible minimum by issuing bonus shares. This has been resorted to with a view not to rouse the animosity of the non-share-holding class and also of the labour which claims a larger share in the profits. When the mill pays 100% it is considered that the capitalist is exploiting the poorer classes, but when the same mill pays 10% with a capital tenfold, formed by issuing bonus shares, it is said to be normal, though in fact it is 100% on the original capital. In India the mill-owners are generally averse to this sort of indulgence.

Now we must look to the class of the people who are the prop of the concerns and on whose welfare and contentment the industry is to thrive and prosper. Our labour is generally unskilled, inefficient and irresponsible, it is no use denying the facts, and hence this drawback affects the production of the mills enormously. This is due to the ignorance and illiteracy of the masses from amongst whom the labourers are recruited. In U. S. A. and Europe their general high culture and social status have made them conscious of the advantages or disadventages that are likely to acrue from their standard of efficiency. But here nothing of the kind. The long hours in factories is a result of this defect, which undermines the health of the laboures and causes an early breakdown. We have to compete with foreign imports that are an out-come of efficient labour, employed shorter hours and yielding maximum return. This we are unable to do unless our mills are worked longer hours to get the utmost yield. It has been said that an English labourer in 8 hours produces 3 times as much as an Indian in 12 hours. This shows the disparity between the two yields. Recently the hours are reduced to 10 which will be further brought down to 8 very soon according to the recommendation of the Washington Conference. This is likely to affect our products if care is not taken to raise the efficiency and the morale of the employees. Labour is an important factor in the process of manufacture. Of the problems that engage the attention of a socialist at present, such as the welfare work, provident funds, hours of work, that of housing is of gross importance. The conditions of housing labour are very scandalous in large cities like Bombay. Our mills have made large profits which were an unsought fortune owing to the favourable conditions. So they are bound to provide suitable and healthy tenements for their hands without any excuse of funds. In this connection we cannot ignore the excellent work of H. E. George Lloyd who has grappled the problem with a courage, ability and perseverence which go to speak very highly of him. He has created the Development Department, floated a special loan for the purpose and is devoting his attention to the erection of 50,000 tenements which would house most of the factory labour in healthy condion far away from the filth and slumps of the city. Even so the mill-owners are not absolved from their duty to provide habitable houses though they have contributed nearly 4 crores to the Development Loan. Another factor that affects our industry is the wages problem. They must be adequate to support the family of the worker, in default of which catastrophic strikes have occurred to secure them. In recent years there has been an accelerated rise in the cost of living to cover which wages had to be increased by leaps and bounds. The employers have become alive to the hard lot of their employees and have helped them to the best of their ability. But this problem of settling wages has been a game in the hands of unscrupulous self made leaders who live only by some sort of agitation. Inciting the people to strike by painting a utopian picture of their employers campaign of expolitation and consequent suffering to them has been the very breath of their nostrils lately, and some have made it their profession. Thus many attempts were made in Bombay to bring about a general strike in 1921 Jan. and to disintegrate the fabric of society, when the strike of 1920 had decided and conciliated the controvercial questions and conflicting interests.

The rise in wages since 1914 was in every case justifiable as the cost of living was going up without retardation, not only in Europe but in Asia and America as an inevitable result of the destructive forces let loose on the continent during the war period. The mills made very large profits and could very well satisfy the demands of their employees, but it is a great question as to what should be the attitude of both the parties when the cost of living has not appreciably diminished but the big gains is a thing of the past. In such a case the friution between the interests affected is inevitable. But happily there is no anxiety on this account now. The rise in the wages has been at present calculated at 100 percent on the prewar basis and looking at the prevailing prices of the food-stuffs and their downward tendency we can conclude that the present rates sufficiently cover the increase in the cost of living and there is no occasion for conflict in future. The following table explains the rise and fall in the cost of living over 1914 July taken as 100. The items included in the statistics are (1) food, (2) fuel, (2) clothing, and (4) house rent, :—

1914.	P.C.				
January ...	83	April ...	71	November	86
February...	77	May ...	73	December	81
		June ...	80	1921.	
1920		July ...	89	January ...	69
January ...	82	August ...	91	February ...	62
February ...	80	September	92	March ...	60
March ...	76	October ...	93	April ...	60

The above figures published by the Bombay Labour Bureau under Mr. Findlay Shirras, indicate that in April 1921 there was a rise of only 60 precent over the pre-war prices, taken as an average of the four items included in the statistics. The rise reached zenith in Oct. 1920, which was 93 precent over the pre-war prices, but since then in the last 6 month there has been a gradual fall up to 60 precent, that is nearly 33 points or 17 percent. If the above figures are a clear index and reliable, and we do not think there is any reason to the contrary. we are led to believe that the present wages are adequate and any attempt on the part of the labour to strike work is not justifible. The increase in wages has been 100 precent as calculated by the late Mr. Rahimtulla while the average percentage increase in the cost of living over July 1914 is at present only 60 per cent the unscrupulous agitator who thrives by breach of peace and surcharged atmosphere must be brought to book if his efforts dissolve the bonds of society without any justification and when confusion reigns supreme. The whole society is disorganised, and if there be any losers, they are the poor credulous labouring class while the mischief-monger escapes scot-free.

As to the fiscal policy of the country. This year's budget disclosed a very heavy deficit which had to be made up by any means. To make the two ends meet it has been decided to raise the import duty on piece-goods from $7\frac{1}{2}$ per cent to 11 per cent which evoked stormy scenes in Lancashire whose evil influence on our tariff policy has been resented by all shades of opinion. It was felt in 1916 when the general customs was raised from 5 to $7\frac{1}{2}$ percent but the tariff on imported piece goods was retained at $3\frac{1}{2}$ per cent. This was done in spite of the fact that more money was needed and even the salt duty which hits the poorest class had to be raised. In 1917 in Mr. Austin Chamberlain the Lancashirewallas found a hard nut to crack and in 1921 in Mr. Montagu a harder still. Mr. Chamberlain raised the import duty from $3\frac{1}{2}$ to $7\frac{1}{2}$ per cent as a financial measure and the same was raised to 11 per cent this year by the Government of India with the concurrence of the Secretary of State, Mr. Montagu. But this fight for our rights has not been an unmixed blessing, as there still remains the cursed excise duty of $3\frac{1}{2}$ per cent and this year's $2\frac{1}{2}$ percent additional duty on textile machinery. Thus it cannot be said that the new duty protects the textile industry from foreign competition. For it also penalises our trade by taxing the additional plant which may be on order as well as the other supplies for weaving which were till now on free list.

Our readers might be knowing that Mr. Montagu has announced the appointment of a Fiscal Commission to report on the questions of Imperial Preference and Protection. Mr. Montagu fully knows that there is rarely an Indian who believes in any doctrine excepting Protection. Mr. Bonar Law, the great statesman who just retired from public life, once said that it was mere hypocrisy for an Englishman to say that Free Trade is for the benefit of India. It is a riddle to a rightminded man why England imposes on India a policy of free trade when lasting harm is done to our interests and when she herself is fast withdrawing her allegiance to it. The movement to protect the dye industry of the United Kingdom cannot be forgotten in this connection. So when the Commission holds its sittings in India in the cold season it would be the pious duty of every Indian to explode this theory of free trade and bring home to the Commissioners the harm it has been doing us for the last 150 years. The question of Imperial Preference too would be coming before the Commission and in this connection we cannot be more emphatic than the Hon. Mr. Shastri who is sure to fight the cause of India in the Imperial Conference. We must strongly condemn Imperial Preference so long as we see manifestations of anti-Indian feelings in the Colonies and determined hostility at the hands of Lancashire.

In conclusion, we can say that there lies a great future before our textile industry. In support of our view we cannot quote better authority than the late Mr. Rahimtulla. He said in April last ;—It is a matter of great satisfaction to us that while the textile industry is passing through a state of depression in other parts of the world, we should have a continuance of prosperity. Though the prospects for the next year are not so bright as the present one, I believe we are in a fairly strong position. ....The present number of mills in the country satisfy nearly 40 per cent of the demand and with efficient production and good management I take an optimistic view about the future of the industry.........Through my faith in the textile industry as a permanent investment remains unshaken, I cannot help thinking that the industry would be affected by the trade depression and we should be ready for reduced profits for some time. We are well prepared for this and there are few mills in Bombay who cannot cope with the situation when it arises.

In these words Mr. Rahimtulla assured the public of the prosperous times that lie ahead and the exceptionally strong position in which the textile industry has found itself. The exchange has returned to the pre-war level and there can be no signs of its reaching 2s. the ratio fixed by the Government of India on the recommendations of the Babington-Smith Commission. Our exports would be adversely affected if the exchange again goes up. If it remains steady there would be an opportunity for the mills to capture foreign markets after satisfying our own demands by increased production. The spirit of Swadeshi is in the air and would be of incalculable value to foster the growth of our manufactures and also for the expansion of our textile industry when the price of machinery goes down.

BREEDING BULLS IN MADRAS.

Some time ago it was notified that the Agricultural Department had obtained from Scotland, Ayrshire bulls of superior pedigree with a view to improving the breed of milch cows in Madras. The bulls were first kept at Guindy, but as their condition fell off it was found necessary to send them to the Veterinary College, Madras. These bulls are now again in good condition and are at stud in the Veterinary College, Vepery, Madras. Local milkmen can obtain their services for breeding purposes. The fee charged for service to a cow is Rs. 7. If the service proves unfruitful a second service will be allowed after three weeks, free of charge. Calves by these bulls, if properly reared, will be purchased by the department at good prices with a view to forming a special milk herd.—(*From the Publicity Bureau*).

EXPORT OF INDIAN TIMBERS.

It is now some time since the Industries Department of the Government of India was constituted. One would therefore like to know what exactly are the steps that are being taken by the Department to develop Indian industries. The Committee for India of the Imperial Institute has from time to time issued bulletins on the materials available in India. In a recent one in the section on paper materials, a general statement is given as to the world's pulp and paper-making industry, special reference being made to the position in India. The opinion is expressed that Indian bamboos and savannah grasses are valuable resources for paper-making, which occur in circumstances not unfavourable for their commercial development. The immediate aim in the development of an Indian paper-pulp industry, which should receive every encouragement from the Government of India, should be to reduce, and finally to replace (as far as possible) by Indian supplies, the large amount of pulp and paper imported into the country. It is believed by the Committee that the replacement of imports by Indian produce would be quickly followed by a surplus production, which would be available for export. What, we should like to know, are the steps which Sir J. Holland proposes to take in this matter. Further, we note that inquiries into the possibility of increasing the utilization of Indian timbers in Britain have been carried out by the Committee for India of the Imperial Institute, which has been conducting the Indian Trade Inquiry. It is considered that there would be an opening for an extended export trade to the United Kingdom of certain Indian hardwoods for decorative and other purposes. Are the Government of India considering how far it would be advantageous to export these timbers and if exporting is the best and the most advantageous way of disposing of them? (*Hiudu*)

ELECTRIC POWER FOR SALEM.

In connection with a proposal to establish an electric generation station at Salem with a view to supply elcetric Power to the various factories already established or under contemptation in that town the Public Works Department have, at the instance of the Director of Industries, carried out a reconnaissance of the Shevaroy Hills for possible Hydro-Electric schemes. The preliminary investigation that has been carried out indicates that the Vaniar river is the most promising source of electrical energy.

The site on the Vaniar river is about 10 miles north-east of Yercaud and 20 miles north-east of Salem.

The catchment is 24 sq. miles and the power evolved would be 583 E. H. P. or assuming a power factor of 1 in 3, 1750 E. H. P. Assuming this power factor, the cost per unit, including cost of transmission line and transformers, works out at annas 2 per unit, but this cannot be definitely accepted as correct until a regular survey has been made of the proposed dam site, flume channel and gaugings have been taken of the minimum flow of the river. If the power plant comprised two turbines, each generating 875 E. H. P., at maximum load, the total cost including the transformers, connections etc. is estimated at Rs. 270,000. The cost for completing the scheme is estimated approximately at Rs. 18 lakhs and the power available for sale annually at three million units which could be remuneratively supplied at a little over 2 annas per unit. The scheme therefore is a promising one and worth more detailed investigation with reference to its importance in connection with the potential industrial development of Salem.—(*From the Publicity Bureau*).

INDIAN PIECE GOODS

Millowners Increase Prices.

Enquiries made by the Associated Press representative among Indian merchants show no appreciable change in the Piece Goods Market. Since a forthight ago it was pointed out by more than one dealer that apart from the boycott being economically unsound, the central fact in the situation was that Bombay and Ahmedabed millowners had increased their prices and mill shares had gone up as a result. As one large dealer put it, it is not fair to expect Calcutta dealers in "foreign cloth to give up their business entirely, some of them having beeen built up after great labour and expense, and make nothing at all while the millowners on the Bombay side are making hay while the sun shines on Swadeshi and are making huge profits. Even if Mr. Gandhi is successful in prevailing on the millowners not to put up prices, which is very doubtful, still only their profits will be limited. As for us in Calcutta our very calling will be gone."

Masses Not Affected By Swadeshi.

Another large importer stated he did not think the masses were in the movement which, he said, was confined only to Marwaris, Mahomedans and Upcountrymen, as was evidenced by the attendance at the boycott meeting in Halliday Park. He also laids stress on the facts that only a small quantity of *belati* cloth was offered for bonfire at that meeting.

Foreign Cloth Prices Lower.

Further, the monsoon so far having proved favourable, brisk demand is expected. Consequently the dealers have more confidence now than a fortnight ago. Lancashire goods also are selling at lower rate than before and this fact, it was pointed out, coupled with the reduction in freights is bound to tell in the long run.

It was stated by another dealer that large quantities of *belati* cloth were being sent to Bombay to be stamped in such a way as to make it look like Swadeshi cloth.

Brisk Demand For Khaddar.

There has been a brisk demand for Khaddar during the past few days but the supply is small and the demand cannot be met. It is hoped, however, that further supplies will soon be available from Bombay and Upcountry.

The Congress and Spinning.

The following Resolution was passed on 28th to 30th July 1921:—

The All-India Congress Committee desires that all Congress organisations and those who sympathise with the national aspirations should concentrate their attention upon attaining complete boycott of foreign cloth by the 30th of September next and manufacture of *Khaddar* by stimulating hand-spining and hand-weaving and to this end the All-India Congress Committee advises that all persons belonging to the Congress shall discard the use of foreign cloth as from the 1st day of Augnst next and advises all Congress organisation:—

(1) to use all national educational institutions as far as possible for hand-spinning and hand-weaving.

(2) to introduce spinning-wheels into the homes which do not yet possess them.

(3) in every district to take a census of weavers and to induce them by affording facilities to discard the use of foreign yarn and to use as far as possible handspun yarn, and otherwise to use Indian mill spun yarn.

(4) to induce by special encouragement weavers who have given up their calling to return to it.

(5) to take a census of cotton carders and to induce them to prepare cards for spinning.

(6) to open depots for the supply of *Khaddar* spinning wheels, handlooms and all accessories required for spinning and weaving.

(7) to collect foreign cloth from consumers for destruction or use outside India at their option.

(c) The All-India Congress Committee invites the mill agents and shareholders of the great spinning and weaving companies in Bombay, Ahmedabad and elsewhere to support the national effort by regulating the price of their manufactures so as to bear proportion to the wages of mill-hands and other expenditure, and so as to be within the the reach of the poorest and trusts that in no case will they raise the price beyond the prevailing rates.

(d) The All-India Congress Committee invites the importers of foreign cloth aud yarn to co-operate with the nation by immediately stopping all foreign orders and by endeavouring to dispose of their stock as far a possible outside India.

MOGUL GEMS.

Two famous Mogul jewels which have shared adventures with the celebrated Koh-i-noor diamond are to be sent from London to India to be restored to one of its great museums.

They have been acquired by the Government of India, their purchase at Christie's having been privately arranged in consultation with the India Office. Their actual destination is not yet decided, a "Daily Chronicle" representative was officially told recently, although Delhi has been suggested.

Carved From Single Stone.

It was at Delhi that the jewels were probably made for the Mogul Emperor Shah Jahan, about 1650. One is an emerald bow-ring designed to protect the left thumb when a strained bow-string is released; and the other is an emerald toilet cup, mounted in gold jewelled with rubies, the foot being chased and partly overlaid with translucent gold enamel. Each jewel is carved from a single stone.

After the sack of Delhi in 1739 these treasures—and others—were carried off by Nadir Shah, ruler of Persia and Afghanistan; and they were restored by the fugitive Shah Shujah to Ranjit Sing at Lahore in 1813. They were found with the regalia in the Lahore Royal Treasury at the end of the second Sikh war in 1849, and were bought by the Governor-General of that day, Lord Dalhousie.

They passed to his daughter; and after her death were for several years on loan in the Victoria and Albert Museum. During the war they were put under cover for safety. "*Daily Chronicle*".

ICE EXPORT.

A Press Communique says:—

The Government of India have sanctioned export of 15,000 tons of boiled rice to Ceylon during the quarter ending 30th September 1921 on condition that no re-export is allowed. Exports will be restricted to the ports of Negapatam, Danushkodi and Tuticorin and in the matter of selection of importers to Ceylon and the allocation of the above quantity among them existing procedure will continue.

FUEL FOR INDIA.

Eleven hundred tons of patent fuel a "record" cargo, is loading at Cardiff for the Indian Government.

"COMMERCE & INDUSTRIES"

POST BOX No. 353, MADRAS, S. C.

MADRAS,—SEPTEMBER, 1st 1921.

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ASSAM TEA.

The Report on Tea Culture in Assam for the year 1920 issued by the Director of Land Records and Agriculture, Assam, shows the total number of gardens as 876 in 1920 against 851 in the preceding year. The total area under tea rose from 412,679 to 420,163 acres, while area plucked increased from 389,734 acres to 392,611. The total area of land included in the estates was 1,479,239 acres against 1,436,256 acreas last year. The daily average number of labour employed fell from 704,538 to 516,733. The season for the growth of tea was generally favourable particularly in the Surma Valley. The out turn of tea during the year was 233,040,835 lbs. of black tea and 1,273,226 lbs. of green tea against 238,287,659 and 812,872 lbs. respectively in the previous year. According to the Statistics furnished by the Secretary to the Indian Tea Association, Calcutta, the prices realised in Calcutta for teas produced in the Brahmaputra Valley and the Surma Valley were 6 as. 3p. and 3 as 7 p. per lb. for 244,280 packages and 196,025 packages of tea produced and sold at Calcutta for the year ending 31st March 1921 against 8 as 4 p. and 7 as. 8 p. for lbs. for 244,232 packages and 177,467 packages respectively for the year ended 31st March 1920. The Dircetor of Land Records in his Report brings to notice the inaccuracy of the figures in the statement appended to his Report as they are based on the returns furnished by the Managers of Tea gardens who have left the compilation to their clerks. There seems to be no reason why effective steps should not be taken to obtain accurate returns from the Managers. Unless proper steps are taken to compile correct returns, the statistics of production and of export as published afford no useful guidance in tracing the consumption of tea in India. Under these circumstances, it is quite difficult to imagine how far the present condition of the tea industry in Assam is unsatisfactory.

INDIAN CASEIN.

The Director of Industries, Bombay, has published the second part of the bulletin showing the results of the further investigations made by the Department which has recently opened at Anand a small demonstration factory for the manufacture of casein on a commercial scale. The Report of the Imperial Institute, London, says that "the casein was regarded by the experts as of good quality and it was considered that material equal to the sample would find a ready market in the United Kindom." It is reported that a product of this quality produced on a commercial scale for export would fetch very good prices.

COMMERCIAL SCHOOLS IN INDIA.

The Pitman's Journal says, "starting a commercial school is, in these days, far less hazardous an undertaking than it was in a not very remote past. It is still somewhat of an adventure. But if a suitable centre be selected, and if the organiser be a person of proved competence as a teacher, and if he possess or secure the active co-operation of a person who does possess skill in making known the existence and the purpose of his new venture in the right quarters, he may entertain reasonable hopes of attaining ultimate success. It will not always come quickly. Judicious advertising is helpful; but no school can rely on advertising alone to ensure a continuous supply of students. A reputation for sound teachinghas to be built up. Fundamentally,, the school's success will rest on the efficiency of its teaching staff and on its steady adaptation to meet local needs." This piece of sound advice applies to organisers in India with equal force In this country where commercial education is at a very low ebb, commercial schools are very few in number and poorly equipped and the teaching imparted therein is generally very limited in scope. They are pioneers in the field and receive scanty support from business men. The demand for competent book-keepers and accountants is always on the increase. The field offers ample opportunities to enterprising Indians to organise commercial schools to train young men for responsibie positions in life.

THE SMALL INDUSTRY AGAIN.

The International Trade and Shipping Digest. (San Fransisco, U.S.A), referring *the Small Industry* that has appeared in the columns of "Commerce and Industries" says "There is one country which is advancing along the lines of manufacturing, by leaps and bounds. India is discovering herself in a manufacturing sense. India is advancing very quickly in its productive capacity in the textiles and in other manufactured articles. Large-mills have been established for the manufacture of textiles but these are finding the hand-loom industry is no mean rival and, in many directions, the factory product cannot displace the hand woven silk of the weaver." Commenting on the production of Indian-made cloth, the Journal adds, "A propaganda for weaving and spinning at home has been extensively carried on by Mr. Gandhi. The result of this effort, on the part of this gentleman is that weaving is being taken up, as side industry, by the dweller in the country. There is a vast labour force available as the agricultural and climatic conditions leave the agriculturist out of employment for six months of the year. It must not be forgotten that to be successful hand industry must be developed and improved just as much as the methods used in factories have to be developed and improved as time goes on.

In Germany the small industrialist is encouraged by a system of technical education and by Government encouragement to the small factories. In France and Spain there is a demand for the hand woven textiles and there is a recrudescence of weaving and spinning in the rural districts of both countries. In England the revival of cottage industries is receiving marked attention and a Conference for the development of rural industries was held a few months ago at Barnett House, Oxford, under the Presidency of Lord Henry Cavendish Bentick, M.P.

Mr. Wolff calls Japan the classic country for small industry—which, in this case, includes fishing. He tells us that in Japan small industry and fishing fill up a large space in the country's production and draw much money in the homes of the humble poor. There are Japanese departments of large Stores in London where Japanese articles, for the most part produced in Cottage homes, are offered to the public in a striking variety and sell exceedingly well, especially because they are articles of general utility, snch as lacquered ware, basket work, and the like. "That" says Mr. Wolff, "has made my mouth water on behalf of India." Mr. Wolff is probably the greatest authority on co-operation in England."

THE INDIAN CENSUS OF 1921.

The *Mahratta*, Poona, has the following observations on the latest Census:—A glance at this year's census returns is sufficient to fill the mind with gloomy ideas and anxious fears about the future of India. The population of India as ascertained on the 18th of March 1921 was slightly over 319 millions as against 315·16 millions in 1911. This means that during the last ten years our population has increased at the rate of 1·25 per cent roughly speaking. This rate looks exceedingly miserable when we campare it with the census figures of some other countries. The population of the United Kingdom has been increasing every ten years at the average rate of 9 p. c. The rate of increase in the Union of South Africa is about 15·41 p. c., in the United States about 25 p. c. and in Canada 34 p. c. In the light of these figures our rate of increase looks horribly low and we feel as if we were a race of pigmies. The explanation of this abnormally low rate of increase cannot be offered in a short space like this, for it may well form the subject matter of a voluminous book. The fact, however, that all self-governed nations have been rapidly multiplying their population and that the increase of population in dependent India is conspicuously arrested, is not without its significance. And again, the way in which the population of India has drifted from villages and rural places to cities and towns, and also from civil stations to military centres, frontiers and plantation districts, has its own lesson to teach. The Military stations and frontier places are being flooded with population. The Baluchistan districts show an increase ranging from 30 p. c. to 72 p. c., the North-West Frontier Provinces exhibit an increase of 33 p. c. and there has been an increase of 330 p. c. in Peshawar. How has it spread long over India and how its population is drawn away from the normal industrial and agricultural pursuits? More melancholy figures meet our eyes as we turn to the plantation areas. The population of Champaran and Saran has been on the increase and the districts of Assam show a population that has gone up by 13 to 343 p. c. This tremendous increase is undoubtedly due to the thousands of poor Indians that have fallen a prey to Indentured Labour. Similarly Andamans and Nicobars (Indian penal settlements) manifest an increase of 1·4 p. c. It is a frightful idea that Indians are gradually being shaped into millhands, camp-followers, indentured labourers, prisoners and convicts. And yet that is exactly what this year's Census returns mean.

INDIA AND GERMANY.

According to the *San Francisco Chronicle* as reported in *the International Trade and Shipping Digest*, "the Germen ports now show many foreign agencies as a result of the treaties operations. For instance, in Hamburg there are represented 19 English, 10 Dutch, 6 American, 6 Norwegian, 5 French, 4 Belgian, 3 Danish, 3 Swedish, 3 Italian, 2 Japanese, 1 Portuguese and 1 Brazilian Company. The Brazilian employs former German ships; the Portuguese flag before the war was unknown in German ports.

But, while foreign concerns are busy in the German ports, the German Shipmen themselves are building for the future." The above facts show that 12 nationalities hoisting their national flags are represented in Hamburg, one of the most important Commercial centres of

Germany. India with a huge populalion of nearly 320 millions is conspicuous by her absence and the reason why she is left to-day unseen and unknown in an important European port discloses how utterly helpless have been the millions of the Indian population in the vast field of International Commerce, while the foreign nations are constantly in need of the enormous supplies of raw materials which cannot be turned into manufactured goods owing to the ignorance and the want of technical and scientific education and training and other facilities. It is high time that steps are taken by our business men to send their representatives to watch their export and import interests in all important commercial centres of tbe world.

STENCIL-PRINTING ON CLOTH.

The Scientific World (Lahore) contains an interesting article by Mr. S. M. Yusuf, Principal, Government School of Dyeing and Printing, Cawnpur, under the heading of "Stencil-Printing on cloth." He says that Stencil printing is one of the styles of textile printing. In this line, very artistic work is done by the Japanese. Their work is appreciated all over the world, particularly in the West. As a cottage industry, it is eminently suited to the conditions obtaining in India. Here printing by blocks has been practised from old times and no Stencil-printing is seen anywhere in this country. Places like Madras, Farrukhabad, and Lucknow are very famous for printing by blocks. Stencil-printing has several advantages over block-printing :—

(1) Stencils are easier to make than blocks and the printer may easily and quickly prepare them to designs of his own liking without depending on external help ;

(2) the initial cost of making them is much smaller ;

(3) stencils lend themselves to more artistic and beautiful effects in design than blocks, because gradual shading by brush is possible in stencil-printing ;

(4) it is possible to produce a very large continuous design without repeats. This will involve much difficulty and expense in blocks.

Stencil is readily made for printing any desired design. Take a stiff paper (ivory or drawing paper is preferable) Oil it, put it on the design to be copied, trace the outline in pencil, and then cut out the paper by means of a short sharp knife on a sheet of glass, leaving what are technically termed "ties" at suitable places. After this some waterproof varnish is put on it : shellac and spirit varnish will do. There are many practical details of the manipulations involved which cannot be very well gone through here. Metal stencils are more durable and may be used in some cases but paper stencils are better on the whole.

The stencil is placed on the cloth well stretched on a smooth, firm, and level surface (floor or table) and the colour paste suitably prepared is applied on the cut-out design by means of brush. The chemical processes and other manipulations involved are the same as in other kinds of printing.

The disadvantage of this style of printing as compared with modern European roller-printing consists in the very slow rate of production. But block-printing suffers from the same disadvantage although to a somewhat less degree. On the other hand modern roller-printing is incapable of doing the class of work produced by stencils and blocks. The roller-printing must of necessity be a repeat-printing and is limited to repeats of a certain maximum size. Moreover roller printing requires a capital of lakhs of rupees on the smallest scale. Its initial cost is prohibitive for a country like India, and that is why roller-printing has not yet made any headway in this country. On the contrary, like block-printing, stencil-pinting can be developed here as a cottage industry just as it is in Japan.

The writer has been eminently successful in his experiments made under very difficult conditions. Very beautiful prints have been executed in the brightest and fastest colours known to the world at present. These are not imitable by either roller or block-printing. The use of steam and any technical apparatus has been completely dispensed with. Curtains and other useful things of exquisite design and workmanship have been prepared and exhibited recently at Aligarh and Meerut, and the highest prizes and medals won for them. The success achieved consists chiefly in making the colours fast and bright and in avoiding steaming. The new process is entirely a hand process and as such can be carried out from beginning to end by any person of limited means with the aid of household utensils and if worked out throughout the country will revolutionise our printing industry.

RAILWAYS IN JAPAN.

The Asian Review ot July-August 1921 contains a Review of the Railway Administration in Japan for the year ending March 31, 1918. The first railway line in Japan was laid in 1871. The total mileage open to traffic in Japan up to 31st March 1918 was 7,810 miles of which 6,002 miles were represented by the Government Railways and 1808 miles by the privately owned and light railways. The total earnings for traffic mounted to 177,422,961 yen for the year, showing an increase of 39,559,930 yen over the preceding year's figures. The purchase of Railway Stores totalled 99,356,282 yen of which 86,360,085 yen relate to home purchases and 12,996,197 yen to foreign supplies. The home purchases showed an increase of 44,314,525 yen as compared with the previons year, In the laboratory of the Railway Research office, chemical experiments were carried out on railway materials and physical tests were made on the strength of metals and other materials. The above figures are an example for India where there is ample room for railway construction and management under private enterprise as also for purchase of stores *made in India* in preference to those imported from outside.

SETT'S GUIDE.

to Commercial Places.

Mr. Santosh Nath Sett should be congratulated on the process with which he has brought out Part I of Sett's Guide to Commercial Places. It is a very valuable compendium written by a practical trader of 15 years experience. He is also the author of four Bengali Commercial books. The volume before us is full of useful commercial information on the important markets of Bengal, Behar, Orissa and N, W. Provinces, with details under each town about the grains, seeds, minerals and other industrial products thereof, how and when to buy, the season for same, names of merchants, mill-owners &c. The book is written in simple style and is well commented upon by the principal journals in India. It will prove of immense value to merchants and businessmen. The author has dedicated the book to his countrymen. It is priced Rs 3 per copy and can be had of the author at Chandarnagore, Hooghly, Bengal.

SLAUGHTER OF CATTLE.

The Beef Wax Industry.

The manufacture of beef wax in China has been in vogue for a long time for the making of Candles but on account of the increased use of stearine wax for the purpose the demand for beef wax has been falling in late years, thus observes the *Yakugyo Shuho* (Tokyo). With the rise of the weaving and soap industries began the import of beef wax to Japan from China about 15 years ago. The annual output of beef wax is estimated at 80,000 tons of which 1,800 tons are exported to Eastern countries, 3,500 tons to European and other countries while the remainder is consumed in China. For 80,000 tons of beef wax, 360,000 head of cattle will have to be slaughtered every year. In spite of the attempts by the people against the export of cattle, China is at present exporting annually 50,000 head of cattle. But for the ravages of rinderpest, China could export even 300,0000 head of cattle annually. Another country that is competing with China in tbe matter of the export of beef wax is Australia. It is expected that the beef wax industry in China will be enabled to compete with the Australian product in the world's market if more capital is invested in the industry now that China is at present slaughtering 230,000 to 280,000 head of cattle for the manufacture of beef wax, apart from the annual export of something like 300,000 livestock.

"MADE IN INDIA."

Industry writes :—In any scheme for the regeneration of Indian industries the three prime requisites are men, materials and money. Of materials India has such a vast abundance as to arouse the cupidity of ruthless invaders in days of old and the insatiable greed of foreign capitalists at the present time .The fame of her illimitable natural resources travelled far and wide to remote spheres. Talking of men for the last decade and more her enterprising sons have crossed the "seven seas and thirteen rivers" to receive technical education by acquiring theoretical knwledge, and by serving as apprentices for practical training. They are returning triumphantly fully justifying the hopes rested on them. As regards money, India has the traditional ill-reputation of being a hoarder. Whatever foundation there may be for that accusation she has been of late more liberal with her capital—that is indisputable.

On more than one occasion have we traced the genesis of the industrial renaissance in India to the Great European War which has been an eye-opener to all the nations of the world. It lent a direct impetus to the cause of India's material advancement as is amply testified to by the starting of new concerns on all sides and the reorganisation of old ones.

There are some ventures which before the war were undreamt of in India being thought impracticable, while there are others which we were hypnotised into believing now impossible owing to climatic and other causes. These injurious notions—amounting almost to superstition—have been fully falsified—witness the successful running concerns:—steel and iron works ; glass and porcelain works ; match and pencil factories, tin, printing, enamel and pottery; common and rare chemicals etc.

However to establish these enterprises permanently on secure foundation and with a view to offer them scope for healthy expansion the main factor is to assure them a steady and growing market. Unless there be a smooth outlet for their products and until the whole of their output is consumed there will be little hope. And we shall be guilty of culpable negligence if we allow the young seedlings to wither away for want of proper watering. Indeed it is our bounden duty to stimalate the growth of indigenous industries by all means within our power. The Government of India have resolved to make their miscellaneous purchases as far as practicable in India. They have shown us a noble example. We on our part should in like manner give preference to country-made goods over foreign articles if not from a patriotic motive at least with an eye to economy. Even if we have to make some sacrifice either as regards quality or as regards price or both we ought to feel legitimate pride in things which bear that charming stamp expressive of noble sentiments—below the maker's name—"Made in India".

IF YOU VALUE YOUR SKIN
HAIR USE ONLY

"Hanuman Borax Soap"

PUREST THEREFORE BEST.
SOLD EVERYWHERE.

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S. Runganathum Chetty & Bro.,
MADRAS.

COTTON TRUST IN EGYPT.

The "Cairo" Correspondence of the "Morning Post" writes:—The trust formed among Egyptian cotton cultivators, has in view several objects, but all with the one tendency of endeavouring to enhance the price of raw cotton. The first object of the trust, according to the notice issued by its executive committee, is "the protection of cotton and other agricultural products of the country by methods such as the selection of the best qualities of seed, the limitation of the areas for growing cotton, cereals, and other agricultural produce, the improvement of the methods of cultivation, and the improvement of the strain of agricultural animals." Secondly, the company proposes to secure "the reduction of the expenses incurred in the sale of cotton by doing away as much as possible with the numerous middlemen, through contracts of sale direct with the cotton mills." The company also announces its readiness to advance money against crops and facilitate the disposal of such crops. Finally, the company proposes—and this is the most interesting suggestion of all—when the agricultural co-operative societies which are now being organised under the aegis of the Government are firmly established, the company shall become the central agents for all such societies.

An End to Cheap Cotton.

Interests in England in the trust must be keen, because if the trust has its way the era of cheaper cotton must end, never to retura. The methods to force the price of cotton higher—as already cabled—are simple. The market is to be starved until the frantic consumers of raw cotton will pay any price for the staple. No member of the trust will be allowed to sell his cotton at less than 60 dollars per kantar without the written permission of the executive committee. Any membar committiug a breach of this rule will be fined £E. 1 for every kantar so sold, will be struck off the list of members, "and will forfeit all rights held by the trust on his behalf." If the trust succeeds the outlook for the Lancashire firms who depend on Egyptian cotton, and who are already faced with ruinous costs other than the purchase price of cotton, must be worse to the extent of the success achieved by the trust.

BRITISH TRADE WITH CHINA.

As a result of inquiries we are inclined to attach some importance to a project which is being formed for developing trade and industry and owning property of all kinds in any part of China. This project, it is stated, has been made possible by the Chinese Government in the form of a charter, granted in response to a petition made by two Englishmen in the Far East and supported by the Commercial Secretary to the British Legation in Peking.

The official notification we have received of the Corporation then proceeds to state the position in the following terms:—

In granting this Charter the Chinese Government does not abrogate any of its powers as a Government, but issues a mandate giving full authority to the Petitioners to form a Corporation having half Chinese and half British capital operating under its own agreed Articles of Association and By-laws, copies of which will be filed in the British Legation in Peking and the Chinese Ministry of Trade and Commerce.

Hitherto the most serious drawback to the expansion of trade and industry in China has been the inability of foreigners to own land and property outside the Treaty ports, and the Chinese are now becoming alive to the fact that such restrictions are serious obstacles to the advancement of their country.

The new Chartered Corporation is now in process of formation, and it is anticipated that it will be ready for business at about the same time that the recently instituted new four-power loan consortium will be in working order.

It is understood that the railway requirements of China will be one of the first considerations of the new Consortium, but, in addition to railways, there are hosts of other enterprises, chiefly industrial, which, with the assistance of its powerful Chinese Associates and its exceptional Charter the new Corporation will be in a position to develop. '*Morning Post.*'

KEY INDUSTRIES AND DUMPING.

The pledges of the Prime Minister and Mr. Bonar Law in the electoral manifesto were preceded by a letter of the former to the latter, in which Mr. Lloyd George observed: "I am prepared to say that the key industries on which the life of the nation depends must be preserved. I am also prepared to say that, in order to keep up the present standard of production and develop it to the utmost extent possible, it is necessary that security should be given against the unfair competition to which our industries have been in the past subjected by the dumping of goods below the actual cost of production." This was elaborated in the joint manifesto in these terms:—"One of the lessons which has been most clearly taught us by the war is the danger to the nation of being dependent upon other countries for vital supplies on which the life of the nation may depend. It is the intention, therefore, of the Government to preserve and sustain, where necessary, these key industries in the way which experience and examination may prove to be best adapted for the purpose. If production is to be maintained at the highest limit at home, security must be given against the unfair competition to which our industries may be subjected by the dumping of goods produced abroad and sold on our market below the actual cost of production."

NATIONAL EXPENDITURE.

"The Shoe and Leather Record" London, Comments as follows:—

The extent to which interest charges inflate the national expenditure was shown in a reply given a few days since in the House of Commons. Before the war the service of the National Debt cost approximately 17 millions a year. The interest charge for 1921-2 is estimated at no less than £321,500,000, the increase representing the interest payable on war debt. including the extra cost of pre-war debt converted. Most of this money, of course. is collected from one class of persons and distributed to another class, and does not leave the country But a large capital sum is owing to the United States, as to which the Financial Secretary to the Treasury gave the following particulars on Monday:—

The outstanding amount of the British debt to the United States Government is now 4,166, 318, 358 dollars, which at par of exchange is approximately £856,000,000, The only definite arrangement for reduction of this debt at present arrived at is that made for the repayment of a sum of 122,000,000 dollars borrowed for purchase of silver dollars. Under this arrangement a further 30,500,000 dollars will be repaid next April and May. The interest accrued unpaid on the debt to the United States Government is approximately 407,000,000 dollars.

How this money is ever to be paid no man knoweth. We can only pay in goods, and America is now busy devising a new high tariff with the express object of keeping them out. Even without a tariff it is difficult to export British manufactures to the United States, as the experience of the shoe and leather industries has shown. Leather and boots and shoes have for some years past entered free. This privilege is likely to be withdrawn. But the fact is unlikely to make very much difference.

A FLOATING FAIR.

Exhibition Ship for Promotion of Trade.

The British Trade Ship, Ltd. has been registered as a private company with a capital of £12,000 in 8,000 A ordinary shares of £1 each and 16,000 B ordinary shares of 5s. each to acquire a ship or ships for exhibitions in connection with a scheme for the promotion of British trade. The first directors include Earl Grey of Howick. Mr N. E. Peck, Sir G. B. Hunter, the Duke of Northumberland, Mr. J. W. B. Peose, and Mr. T. E. Thirlaway.

NEWS AND NOTES.

BOMBAY MERCHANTS' DEMAND.

The Indian Merchants Chamber and Bureau has telegraphed to the Government of India reiterating the suggestion that the proposed Currency Committee should have an Indian Chairman and the majority of Indians should be elected by the Indian commercial and representative bodies and should sit in India, failing which the Committee would not command public confidence.

* * *

At a recent meeting of the Madras Legislative Council, it was resloved the member of the Executive Council Member, be reduced from 4 to 3.

* * *

It is understood that Mr. H. R. Clarke, Director General of Post and Telegrahs, has accepted the scheme for the construction of a huge building on Mount Road capable of accommodation of post office proper, Post Master Generals Office, Postal Audit Office. R. M. S. Office, etc., the existing building being found inadequate for the present requirement.

* * *

During June 65 joint stock companies were registered with aggregate authorised capital of Rs. 2370 lakhs compared with 86 companies capital 1853 lakhs in the corresponding month last year and 70 companies and 317 lakhs in the preceding month. Bengal accounted for 24 companies capital 2190 lakhs, Bombay companies with 38 lakhs.

* * *

At a well attended, meeting Mr. Collins, Director of Industries explained the objects of the Bihar and Orissa Village Industries Society of which Lord Sinha had promised to become president. The society was meant to encourage home industries and its capital be raised by shares of 100 rupees each. Operations are to be started as soon as 500 shares are sold of which 45 shares were sold at the meeting.

CONTROL OF INDUSTRIES.

By the Government and the Politician.

Industries have been forced under the control of a growing body of officials. Wages have been regulated, not by the fundamental principle of supply and demand but by the political exigencies of the moment. Prices of various important commodities have not been allowed to find their natural level, but have been fixed in the real or supposed interests of sections of the community. Operations of such a nature, at once unprecedented, based on no sound principle and subversive of long-accustomed methods, have been entrusted to officials admirable, no doubt, to transact their own special functions, but utterly unfitted by experience and training vast initiate changes in the large and complicated area of commerce.

The results are patent. Some industries, natably the coal trade, have been reduced to something like chaos, and many have been seriously disorganised. Manual labour has been encouraged to assume a false position in the State. Taxation has been levied so as to penalise energy and effort very seriously, as experience of the excess-profits duty and the corporation tax amply demonstrates, and credit facilities have been unduly restricted by Government extravagance. These are facts which constitute a formidable indictment of the successive administrations of the past seven years, of all of which Mr. Lloyd George has been a prominent member, and all his platform oratory cannot get rid of them.

There is a proverb of respectable antiquity that the cobbler should stick to his last. It is one which fits the present situation exactly. In the conduct of difficult negotiations, in the enforcement of general arguments, and in broad appeals to human nature leading politicians are in their element and have a useful function. They go quite beyond their last, however, when they devote their energies to the complicated and delicate mechanism of trade, which involve qualities and experience of a different character. Just as an engine driver is not qualified to navigate a vessel at sea, or a sailor to drive an omnibus, so a politician is one of the last men to be selected to control an industry, even on the assumption that it needs general control at all. (*The Financier.*)

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